

I wanted to bring your attention to the recent bankruptcy filing of California solar energy startup Solyndra, which was granted a \$535 million loan guarantee from the Energy Department as part of President Obama's economic stimulus plan. This issue first gained notoriety when Solyndra closed its doors on August 31 after having been touted by President Obama as part of his initiative to develop clean energy and create jobs.

Newly disclosed information suggests that Solyndra secured the loan through a highly questionable, and possibly inappropriate, process. The New York Times today reported that Solyndra established an elaborate lobbying campaign to secure the funds and met on several occasions with high-ranking members of the Obama Administration. Further, an examination of e-mails between Administration officials that were uncovered as a result of a House Energy and Commerce Committee investigation revealed that the White House appears to have pressured the Office of Management and Budget (OMB) to expedite their decision. The emails suggest that several loan reviewers in OMB expressed concern to the White House about being rushed to consider the loan without adequate time to assess the risk to taxpayers. One staff member noted that OMB could have utilized better risk assessment models and revealed Solyndra's negative business outlook had the White House not exerted pressure to rush the loan guarantee. Similarly, internal e-mail exchanges among Energy Department officials suggest that a credit rating agency was forecasting that Solyndra would run out of cash in September 2011, a prediction that has proven to be true.

Two key questions remain to be answered: (1) Did the Obama Administration fail to exercise due diligence before awarding over 500 million taxpayer dollars to what some inside experts were already warning was a fragile company?; and (2) Even worse, did key leaders of the Obama Administration place inappropriate pressure on OMB to expedite the loan as a political payback to campaign supporters that had invested in Solyndra? I also believe this situation highlights a larger concern about what happens with the federal government attempts to pick winners and losers in the marketplace.

The House Energy and Commerce attempted to get further answers to these questions today by calling Solyndra's executive leadership team to testify before the committee. Unfortunately, the two officials chose to plead the 5th Amendment against potential self-incrimination. With that said, I will continue to support the investigations initiated by both Congress and the Justice Department to ensure that responsible parties are held accountable, and that such wasteful uses of taxpayer dollars do not occur again in the future.